

AUG 13 1992

August 11, 1992

Dear Sir/Madam:

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

I understand that the FCC is seeking comments on a national "opt out" system for unwanted telemarketing calls (reference FCC Docket Number 92-90) as part of your role in administering the Telephone Consumer Protection Act of 1991.


The staff of the American Fiber Manufacturers Association (a trade association located in Washington, D.C.) would like to strongly recommend that the FCC adopt a method that will allow organizations like ours to simply and unambiguously register our desires to be freed from the incessant daily telemarketing interruptions that are a serious burden on our ability to operate our office in an efficient manner.


As a matter of practice, we never respond in a positive manner to this type of solicitation. Accordingly, it is all one big waste of time both for our office and for those who seek to purvey their goods and services in this manner to us. A simple phone number registration system that would prohibit calls to us for these purposes would be most welcome. We urge you to promulgate this type of registration to allow us to get about our daily business without unwanted, ineffective, irritating, unsolicited telephone intrusions.

Thank you for giving consideration to our advice on this matter.

Respectfully submitted,

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Opting Out From Unwanted Phone Solicitations

On the Richter Scale of vital issues facing America today, unwanted telephone solicitations probably rank somewhere near the bottom. For some Americans, these calls are a serious invasion of privacy. For most of us, however, they are nothing more than a nuisance -- an annoying interruption to dinner or a pleasant Sunday afternoon nap. What's more, we can always hang up the phone.

The National Consumers League (NCL) has taken the position, however, that people who do not want to receive unsolicited telephone calls from telemarketers, fundraisers, or investment brokers should be able to "opt out" on request.

There are some trends in telephone solicitation technology and strategies which make it even more important that we be able to keep our phones from becoming a major nuisance. Auto dialers, for example, now tell us to "hold on for an extremely important call" that is actually nothing more than a pitch for membership in an "exclusive premiere dining club." Like robots, however, most of us do hang on, only to be disappointed by the "live" sales pitch that follows the recorded announcement. Telephone solicitation is also becoming highly targeted, which means that our consumer profile returns to haunt us in the form of sophisticated solicitations for products and services we are known to be interested in.

Many supermarket chains are now collecting transactional data on their customers by enticing them into joining "shoppers discount clubs," which link shopper to purchases and provide detailed information on what products are purchased. This information is then sold or exchanged with list brokers and manufacturers to compile lists of persons known to be interested in certain products or services.

Telephone Consumer Protection Act

Congress has come up with at least a partial solution to the dilemma faced by millions of consumers who are deluged with tempting offers, fabulous investments, pleas for donations, and tickets for policemen's charity balls. Concerned over the growing number of complaints about telemarketing calls, the House and Senate late last year passed the Telephone Consumer Protection Act of 1991. The bill was signed by the President in December.

The Act provides consumers a right to remove their names from lists compiled by companies which engage in commercial telephone solicitations. The Act restricts the use of auto dialers, controls the practice of sending anonymous facsimile messages for advertising and promotional purposes, and authorizes creation of a uniform national system to enable consumers to avoid the nuisance and harassment of telephone solicitations.

Congress delegated to the Federal Communications Commission (FCC) the task of carrying out the Act. It suggested the broad outlines of a national system for cutting out of telephone solicitations, but left to the FCC

the job of choosing the most appropriate system to be adopted. Congress did not want to force an unworkable or costly national list removal system on private companies. The FCC could evaluate the possibilities and adopt the one which most clearly carried out the intent of Congress.

The FCC announced this spring that it wanted interested public and private organizations to file comments and suggestions on what type of national "opt out" system should be adopted. The League announced even before the FCC published its request for comments that it favored a simple, inexpensive system whereby consumers could signal their decision not to receive unsolicited telephone calls from telemarketers. NCL said it would push for a "post card" registration form, available in every Post Office, which could be filled out and sent to a national database center for processing. The most it would cost would be a 29 cent stamp.

Once on the list, the consumer could not be called by telemarketers.

The direct marketing industry opposes the NCL plan. Industry representatives told the FCC that a national database was impractical and costly. They advocated a much simpler solution -- each company would maintain its own list of those who indicated to the company they did not want to receive calls from that company. Another solution was expansion of the industry's own "opt out" service, a system similar to that used for deleting names from mailing lists.

NCL argued before the FCC that these private, in-house name removal systems "have provided a useful mechanism for channeling consumer complaints about junk mail and unsolicited telephone marketing practices. But they are no substitute for a comprehensive national policy on unsolicited telemarketing."

"Industry self-regulation does not generally make good public policy," said NCL. "There is no assurance that voluntary adherence to the Act by private companies through an industry self-regulatory mechanism will be effective."

NCL suggested that the Postal Service add a simple check-off provision on the current Change of Address post card indicating that the individual or household involved does not wish to receive telephone marketing calls. If the individual is not changing address, but merely wishes to "opt out" of telemarketing lists, the same Change of Address card could be used -- minus the change of address.

The FCC is expected to act on the new law by fall. Whether it will adopt a tough consumer stance or opt for the industry self-regulatory position is unclear. The FCC hinted in its announcement about upcoming regulations that it is uncomfortable about imposing any regulations which would adversely affect the direct marketing industry. Although Congress has established a tough policy to control the spread of unwanted telephone solicitations, the FCC questioned whether these regulations are really necessary. ☐

Consumers who want to express their opinion about telemarketing calls should write the FCC, Washington, D.C. 20554. Reference FCC Docket No. 92-90.